

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1268 - SB 1298

March 23, 2015

SUMMARY OF BILL: Defines “local education agency” (LEA). Defines “reasonably accommodate” as an LEA making a good faith effort to enable a parent or guardian to exercise parental rights without a substantial impact on staff or resources while balancing certain factors, including but not limited to, the parental rights of parents or legal guardians; educational needs of other students’ and the academic and behavioral impacts to a classroom. Defines “user of the public education system” as any student enrolled in an LEA or the student’s parent or legal guardian. Requires LEAs to annually notify parents and legal guardians of their rights. Requires LEAs to reasonably accommodate a parent or legal guardian’s request to retain a student at a grade level; for initial selection of a teacher or request for a change of the student’s teacher; to visit and observe any class in which their student is enrolled; to excuse the student from school attendance for a family event or visit to a healthcare provider; to place the student in a specialized class or advanced course; to meet with a student’s teacher; to inspect all school instructional materials; to view surveys, analyses, or evaluations administered to a student pursuant to Tenn. Code Ann. § 49-2-211.

Requires an LEA to allow a student to receive high school credit for a course towards graduation from high school without completing the course if a student passes a test that covers the entire course or demonstrates proficiency in the course standards pursuant to rules made by the State Board of Education. Upon written request of a parent or guardian, an LEA shall excuse a student from any state-mandated tests or assessments that are administered statewide, including the National Assessment of Educational Progress. The State Board of Education shall make rules and regulations such that neither an LEA or employees shall be negatively impacted by school grading or employee evaluation due to students not taking standardized tests.

Each LEA shall distribute a copy of the LEA’s discipline policy to parents, guardians and students, and collect written acknowledgement of the parent’s or guardian’s receipt of such policies. Requires LEAs to notify the parent or legal guardians of their student’s disciplinary violation and allow responses from parents or guardians. Requires each LEA to receive written consent from the parent or legal guardian before the administration of all surveys, analyses, or evaluations pursuant to Tenn. Code Ann. § 49-2-211.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$38,633,100/FY15-16

\$6,786,600/FY16-17 and Subsequent Years

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Other Fiscal Impact – The Basic Education Program (BEP) formula will generate less state funding in succeeding fiscal years if enough students take and pass proficiency tests. Any change in state expenditures through the BEP formula cannot be reasonably quantified and are dependent upon multiple unknown factors.

Based on information provided by the Department of Education, federal funding may be jeopardized if the state is unable to receive a new waiver relative to the state's NCLB waiver relative to Tennessee's accountability system and testing of all students. Any decrease in federal funding will be at the discretion of the federal government and cannot be quantified.

Assumptions:

- Currently, students are not authorized to earn high school course credits by passing a proficiency test.
- There are approximately 350 courses that meet the state graduation requirements in 28 content areas.
- Based on information from the Department of Education, the state will contract with a vendor to conduct assessment planning for each content area; develop blueprints and test specifications; build test forms and standards for each course; develop scoring protocols; conduct evaluator reviews; perform psychometric evaluations; and hold Technical Advisory Council meetings for each area.
- The Department of Education has provided a detailed spreadsheet of the costs of the above items for each fiscal year in order to develop the necessary tests. For the purpose of brevity, each individual cost has been omitted from this assumption. However, such information is on file with Fiscal Review Committee staff and is available upon request. Based on information within the spreadsheet, the increase in state expenditures in FY15-16 is estimated to be \$38,633,104.
- In FY16-17 and subsequent years, the DOE estimates that 20 tests will be revised each fiscal year and that new tests will be added as new courses are added to the state-approved course list annually. Based on the spreadsheet provided by the Department of Education, the increase in state expenditures in FY16-17 and subsequent fiscal years for test development and administration is estimated to be \$6,786,630. This includes all of the activities relative to developing of a new test for new courses and to revise existing tests as curriculum standards are revised or changed annually.
- State and local governments will continue to purchase enough tests and test materials so that all students may take the state standardized tests annually. No decrease in state or local expenditures for test materials.
- Administering state standardized tests are a central requirement to receive federal funds for a wide variety of programs.
- It is unknown if the U.S. Department of Education would withhold funds from Tennessee.
- If students receive additional credit for high school courses and are able to graduate early as a result, the BEP formula will generate less state funding than it would have

otherwise in a succeeding fiscal year. Any such change is dependent upon multiple unknown factors and cannot be reasonably quantified. Factors include the number of students who will opt to take a proficiency test and pass; the number of students coming into an LEA; the fiscal year in which such students graduate; and the BEP per pupil expenditure that the student would have generated in future fiscal years before their early graduation.

- LEAs have policies in place that will provide reasonable accommodations for many of the items listed in the bill. As such, LEAs will not have a significant increase in local expenditures to provide such accommodations.
- LEAs will issue copies of their disciplinary policies and other required information in the normal course of business without an increase in personnel or a reduction in other local expenditures.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, appearing to read "Jeffrey L. Spalding", written in a cursive style.

Jeffrey L. Spalding, Executive Director

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